MT LEGISLATIVE HISTORY

Chapter 68 1975

Bill (H) 343 S _____ Original bill & hist. ✓ C

| H. Committee on Business & Industry | | | S. Committee on Business & Industry | | |
|---|---|---|---|---|---|
| Hearing Date(s) | Feb 03 | ✓ C | Hearing Date(s) | Feb 28 | ✓ C |
| | Feb 10 | ✓ C | | | C |
| | | C | | | C |
| | | C | | | C |
| Date Out | Feb 10 | ✓ C | | Feb 28 | ✓ C |

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Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

House BILL NO. 343

INTRODUCED BY Sheldon Manuel

A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING SECTION 70-502, R.C.M. 1947, TO CHANGE THE MEANING OF "LINE" WITH REGARD TO THE NOMINAL VOLTAGE LEVEL CARRIED."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 70-502, R.C.M. 1947, is amended to read as follows:

"70-502. Definitions. When used in this act:

(1) The term "electric supplier" means any electrical utility and any electric co-operative.

(2) The term "electric utility" means a person, firm or corporation other than an electric co-operative which furnishes electrical service to the public.

(3) The term "electric co-operative" means a rural electric co-operative organized under chapter 5 of Title 14, or a foreign corporation admitted thereunder to do business in Montana.

(4) The term "premises" means a building, residence, structure, or facility to which electricity is being or is to be furnished; provided, that two or more buildings, structures or facilities which are located on one tract or contiguous tracts of land and are utilized by one electric consumer for farming, business, commercial, industrial, institutional, governmental or trailer court purposes, shall together constitute one premises, except that any such building, structure or facility other than a trailer court shall not, together with any other building, structure or facility, constitute one premises if the electric service to it is separately metered and the charges for such service are calculated independently of charges for service to any other building, structure or facility.

(5) The term "line" means any electric conductor operating at a nominal voltage level of ~~sixty-nine--thousand (69,000)~~ thirty four thousand five hundred (34,500) volts or less, measured phase-to-phase.

(6) The term "commercial premises" means the premises where the business of selling, warehousing or distributing a commodity, or other business activity is carried on, or professional or other services are rendered.

(7) The term "industrial premises" means the premises where an industrial activity is carried on, including, but not limited to, the operation of factories, mills, machine shops, mines, oil wells, refineries, pumping, cleaning and dyeing works, creameries, canneries, stockyards, feedlots, military installations, or other extractive, fabricating or processing activities."

-End-



HB 343

INTRODUCED BILL

LC 0955

STATE OF MONTANA

REQUEST NO. 158-75

# FISCAL NOTE

*Form BD-15*

In compliance with a written request received Feb. 3, 19 75, there is hereby submitted a Fiscal Note for Senate Bill 343 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

## DESCRIPTION OF PROPOSED LEGISLATION:

An act to establish the amount of compensation and expenses to which the Board of Trustees of the Historical Society are entitled.

## ASSUMPTIONS:

1. The board is composed of 15 members who meet four times per year. The five member Executive Board meets every sixty days.
2. Computations are based on 80 more days at $25 per day plus mileage, meals and lodging at $63 per day.
3. It is assumed that all members would exercise their option of claiming reimbursement for expenses.

## FISCAL IMPACT:

| | FY76 | FY77 |
|---|---|---|
| Expenditures for compensation of board members under current law | $ 385 | $ 385 |
| Expenditures under proposed law | 7,040 | 7,040 |
| Increase in expenditures | $6,655 | $6,655 |

## CONCLUSION:

Enactment of Senate Bill 343 would result in an increase in expenditures of an estimated $13,310 during the biennium, assuming all members would claim full compensation. Past experience indicates that many board members do not claim expenses, therefore, actual expenditures may be reduced by as much as 50%.

Michael S. Billings

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2/6/75

BUSINESS AND INDUSTRY COMMITTEE

44 Legislature

| Bill No. | Subject Matter | Date In | Sponsor | Hearing Date | Committee Action | Date Out |
|---|---|---|---|---|---|---|
| HB 314 | To Legalize Gambling---------- | 1/25/75 | Lynch-----to select gambling committee--- | | | 1/30/75 |
| HB 322 | To Increase Amount An Insurer may Retain | 1/25/75 | Wolfe | 2/3/75 | DO PASS | 2/3/75 |
| HB 328 | Authorization of PSC To Order Service To Consumer | 1/25/75 | Palmer | 2/10/75 | AS SO AMENDED DO PASS | 2/17/75 |
| HJR 27 | Deposit to Public Utility For Guarentee of Bill Payment | 1/25/75 | Vincent | 2/10/75 | AS SO AMENDED DO PASS | 2/20/75 |
| HB 343 | Nominal Voltage Level Amendment | 1/27/75 | Shelden | 2/3/75 | DO PASS | 2/10/75 |
| HB 344 | Bingo Cash Award to $1,000--- | 1/27/75 | --Menahan-----to select gambling committee | | | --1/30/75 |

BUSINESS AND INDUSTRY COMMITTEE

February 3, 1975

The Business and Industry Committee meeting was called to order this date, with Chairman Shelden presiding. All members were present.

The following bills were before the committee for consideration:

HB 322...Rep. Wolfe, sponsor, gave a brief summary of the bill. There were no other proponents and no opponents.

HB 343...Rep. Shelden, sponsor, gave a brief summary of the bill. He introduced Rod Hanson, Montana Associated Utilities, who testified as a proponent. Mr. Hanson said there were differences in costs to the customer for the services provided. He said the bill was practical for the customer and good business for the buyer.

Howard Zahller, Yellowstone Valley Electric Cooperative,testified as a proponent. He stressed the importance of having a line closer to the area where the service was needed. Mr. Zahller said there was a problem relative to spending money in areas that weren't in a particular teritory, and that ultimately this added cost was absorbed by the customer.

Raymond Hyvonen, Beartooth Electric Cooperative, Inc., testified as a proponent.

Lester Loble, II, testified as an opponent regarding this bill. He said he thought the present law was quite clear about the teritory involved, and that he didn't understand the earlier testimony of the proponents relative to this issue.

Bob Corette, Montana Power Company, testified as an opponent to the bill. He referred to Teritorial Integrity, and said it was simply, if you had the closest line, you got to serve the customer. Mr. Corette spoke about the passage of the original bill in 1971, and how it passed without any argument; referring to it as a 'gentlemen's agreement'; he said they had no difficulty and he thought they had all the details worked out. Mr. Corette further said that the 34,500 volts as a nominal voltage level cut which was proposed in the bill, was too low. He suggested that this legislature should not be bothered by so minor a problem.

Rod Hanson testified further, stating that he thought electric co-ops could better serve the customer. He also said that the original bill referred to by Mr. Corette, was submitted by Ed Smith, who was a Representative at that time, was a MontanaPower bill. He again stressed the need of this bill, HB 343.

Discussion followed regarding the voltage level amount of volts named in the bill. No agreement was reached as to that

matter.

HB 120...Rep. Sloan, subcommittee chairman for this bill, reported to the members, submitting the subcommittees proposed amendments to this bill. Discussion followed regarding the interest rate proposed; a suggestion made by Rep. Vincent to reduce the twelve and one half percent to twelve percent was later voted on. Limits relative to the amount of money this interest would apply were discussed.

The following action was taken by the committee:

HB 120... Rep. Vincent made a motion to amend the proposed amendment reducing the "TWELVE AND ONE-HALF PERCENT (12-1/2%)" to "TWELVE PERCENT (12%)". This motion failed, with Rep.'s Harper, Vincent and Richards voting YES.

Rep. Vincent moved to amend the proposed amendment, or to further amend the bill with this statement "date of March 1, at which time it will automatically revert to ten percent, unless the legislature takes action". This motion failed, with Rep.'s Harper, Bradley, Quilici, Vincent and Wolfe voting YES.

Rep. Fabrega moved the bill DO PASS AS AMENDED. The motion passed, with Rep.'s Harper and Vincent voting NO, and Rep.'s Bradley and Richards abstaining. (copy of amendments attached)

HB 322...Rep. Casey moved that this bill DO PASS. It passed unanimously.

There being no further business, the meeting was adjourned.

zd

Arthur H. Shelden, Chairman

Supplied as requested concerning H.B. 343

Brought in at 2:30 - 2-3-75
By Mrs Larson - and after Com. Hearing
to be attached to minutes

Referring to the statement made earlier in the testimony regarding "energy stamps" being issued,Chairman Shelden inquired of those present at this hearing if food stamps were brought about because of a food surplus, did we now have an energy surplus by any chance.

HJR 27...Rep. Vincent, sponsor, explained the resolution and the need for it. He spoke of the hardship to persons who were unable to pay a deposit to the utility companies when first obtaining service for same. He mentioned the telephone company, and how if you have had service, they would check on your credit and then you would not have to pay the required deposit again. But he said that Montana Power Company requires this deposit, no matter what your credit rating may have been regarding other utility companies. Rep. Vincent said these deposits, which are supposed to be earning six percent interest until returned to the customer, are never voluntarily returned by the Power Company, nor is there any interest paid, that he knew of.

There were no other proponents to this bill, and there were no opponents. The committee congratulated Rep. Vincent on finding a bill which seemed to meet with everyone's approval.

The following action was taken by the committee:

HB 175...Rep. Fabrega moved the amendments be accepted. This motion passed unanimously. Rep. Bradley moved that the bill DO PASS AS AMENDED. This motion passed unanimously.

HB 343...Rep. Harper moved that the bill DO PASS. This motion passed, with Representatives Fabrega and Wood voting NO.

HB 423...Rep. Quilici moved that this bill DO PASS. This motion passed with Rep. Fagg voting NO.

Chairman Shelden announced that Rep.s Fabrega, Wolfe and Sloan would serve on a subcommittee for HB 388, and that Rep.'s Casey, Quilici and Tropila would serve on a subcommittee for HB 328.

There being no further business, the meeting was adjourned.

zd

Arthur H. Shelden, Chairman

44th LEGISLATIVE SESSION

COMMITTEE ON Business and Industry

| BILL NO. | REFERRED COMM. | DATE CONSIDERED | OUT OF COMM. | DO PASS DATE | DO NOT PASS DATE | DO PASS AS AMEND. DATE | BE CONCURRED IN DATE | BE CONCURRED IN AS AMENDED DATE | BE NOT CONCURRED IN DATE |
|---|---|---|---|---|---|---|---|---|---|
| HB 3 | 1/27/75 | 2/26/75 | 2/26/75 | | | | | 2/26/75 | |
| HB 36 | 1/22/75 | 1/31/75 | 2/3/75 | | | | 2/3/75 | | |
| HB 62 | 3/18/75 | 3/21/75 | 3/21/75 | | | | | 3/21/75 | |
| HB 67 | 1/29/75 | 2/7/75 | 2/12/75 | | | | | 2/12/75 | |
| HB 70 | 1/22/75 | 2/5/75 | 2/5/75 | | | | 2/5/75 | | |
| HB 77 | 2/12/75 | 2/28/75 | 3/12/75 | | | | | 3/12/75 | |
| HB 80 | 2/26/75 | 3/7/75 | 3/12/75 | | | | 3/12/75 | | |
| HB 120 | 2/25/75 | 3/5/75 | 3/10/75 | | | | | | 3/10/75 |
| HB 175 | 2/17/75 | 2/26/75 | 2/28/75 | | | | | 2/28/75 | |
| HB 188 | 2/14/75 | 2/26/76 | 3/10/75 | | | | 3/10/75 | | |
| HB 280 | 2/13/75 | 3/10/75 | 3/10/75 | | | | 3/10/75 | | |
| HB 322 | 2/7/75 | 2/26/75 | 2/26/75 | | | | | 2/26/75 | |
| HB 343 | 2/15/75 | 2/28/75 | 2/28/75 | | | | 2/28/75 | | |
| HB 368 | 2/22/75 | 2/5/75 | 3/10/75 | | | | | 3/10/75 | |
| HB 388 | 2/24/75 | 3/5/75 | 3/10/75 | | | | 3/10/75 | | |
| HB 400 | 2/14/75 | 2/12/75 | 3/14/75 | | | | | 3/14/75 | |
| HB 416 | 2/12/75 | 3/12/75 | 3/14/75 | | | | | 3/14/75 | |

(Use appropriate sheet for Senate, House Bills, and Resolutions)

February 28, 1975

MINUTES OF THE MEETING

BUSINESS AND INDUSTRY COMMITTEE

MONTANA STATE SENATE

Chairman Regan called the meeting of the Business and Industry Committee to order on the above date in room 404 of the State Capitol Building. The meeting was called in order to discuss House Bill 342 an act entitled: An Act Amending Section 70-502, R.C.M. 1947, To Change the Meaning of "Line" with Regard to the Nominal Voltage Level Carried." House Bill 77 an act entitled: An Act Amending Section 7-113, R.C.M. 1947, to Permit State Chartered Building and Loan Associations to Charge an Amount not to Exceed Four Percent (4%) of the Payment Due as Late Payment Penalty on Any Payment More than Fifteen (15) Days Late; and to Add These Late Payment Charges to Any Payment." House Bill 469 an act entitled: An Act For The Codification and General Revision of the Laws Relating to the Department of Business Regulation."

HOUSE BILL 343: Representative Shelden, chief sponsor, presented the bill to the Committee. This bill would amend section 70-502, R.C.M. 1947, and change the meaning of "Line" with regard to the nominal voltage level carried. Representative Shelden then introduced Rod Hanson, Montana Utilities Association, who supported this legislation. He stated that since the original law was passed in 1971 they have had alot of arguments and confusion over it. Les Loble, Montana-Dakota Utilities, opposed the bill. He stated that there has only been 2 or 3 cases where the present law has not worked out. Gene Phillips favored Mr. Lobles comments. He further stated that the voltage does not determine what kind of load it serves. That is determined by the size of the wire. A brief discussion followed with questions from the Committee. Senator Foster asked Mr. Hanson to clarify the point of the conflict in the present law. Mr. Hanson stated that they worked with the utility companies for a year trying to come up with a compromise and could not. Fergus Electric Company and private utilities came to a compromise on the present law.

HOUSE BILL 77: Representative Kvaalen presented the bill to the Committee. This bill would permit state chartered building and loan associations to charge an amount not to exceed 4% of the payment due as late payment penalty on any payment more than 15 days late and to add these late payment charges to any payment. Senator Greely asked if the late payment charge kept building up. Representative Kvaalen stated it was a one time payment.

HOUSE BILL 469: Representative Shelden presented the bill to the Committee. This bill is an act for the recodification and general revision of the laws relating to the Department of Business Regulation. Representative Shelden assured the Committee that there were no substantial changes.

The Committee then went into executive session on HB 175 and 343.

HOUSE BILL 175: Roger Tippy explained the prepared amendments to the Committee. Attached. Senator Greely moved to adopt the amendments. All were in favor. Senator Regan moved the bill be concurred in as amended. All were in favor.

HOUSE BILL 343: Senator Towe moved the bill be concurred in. Senator Rosell moved to pass consideration as a substitute motion. Substitute motion failed. The Committee then voted on Senator Towes' motion that the bill be concurred in. All were in favor with the exception of Senator Rosell who was opposed.

ADJOURN: There being no further business Chairman Regan adjourned the meeting at 12:00 a.m.

Pat Regan

PAT REGAN, CHAIRMAN

ROLL CALL

Bus. & Ind. COMMITTEE

44th LEGISLATIVE SESSION 1975

Date 2-25

| NAME | PRESENT | ABSENT | EXCUSED |
|---|---|---|---|
| John W. Devine, V.C. | ✓ | | |
| Donald R. Foster | ✓ | | |
| Mike Greely | ✓ | | |
| Thomas E. Towe | ✓ | | |
| Frank W. Hazelbaker | | ✓ | |
| Allen C. Kolstad | ✓ | | |
| Antoinette Fraser Rosell | ✓ | | |
| Pat Regan, Chairman | ✓ | | |
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HOUSE BILL NO. 343

INTRODUCED BY SHELDEN, MANUEL

A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING SECTION 70-502, R.C.M. 1947, TO CHANGE THE MEANING OF "LINE" WITH REGARD TO THE NOMINAL VOLTAGE LEVEL CARRIED."

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-End-



REFERENCE BILL

HB 0343/02

13